



Montana Public Service Commission
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**PSC TO HOLD HEARING MARCH 17 ON NORTHWESTERN ENERGY'S
REQUEST FOR PREAPPROVAL OF JUDITH GAP WIND CONTRACT**

The state Public Service Commission will hold a hearing on NorthWestern Energy's application for advance approval of a proposed wind power purchase agreement between NorthWestern Energy and Judith Gap Energy on Thursday, March 17, at 9 a.m., in the PSC's Bollinger Room, 1701 Prospect Avenue.

Under the proposed contract, NorthWestern, the default electricity supplier for about 304,000 Montana customers, would buy 135 to 150 megawatts of electricity from a wind farm near Judith Gap. According to NorthWestern's filing, the average price of the wind power would be \$31.71 per megawatt-hour, taking into account the federal production tax credit for wind energy and a proposed state tax reduction for wind facilities. The actual cost of adding a wind resource to the default supply portfolio would be higher than the price of the wind contract alone because NorthWestern will also have to procure a "firming" resource to supply electricity when the wind is not blowing.

NorthWestern submitted the preapproval application on February 9 and asked the PSC to rule on the wind contract no later than March 31. According to NorthWestern, the expedited schedule is essential if Judith Gap Energy's wind farm is to be in operation by December of this year in order to take advantage of the federal production tax credit. The tax credit expires at the end of the year.

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